I. ESSAY

Foundations’ Impact On Policy Making: Results From A Pilot Study

by Carol S. Weissert and Jack H. Knott

The nation’s large philanthropic foundations have long played an active role in policy making, particularly in recognizing and defining problems and offering solutions. Yet the role of foundations in policy making has been largely ignored in public policy literature. Foundations are generally viewed as unimportant or important only in a “rich uncle” sense because they fund advocacy groups.1 We believe that this omission is a serious error. Here we review the literature regarding the role of foundations in society. Then as a first step toward increasing knowledge of how foundations are perceived by policymakers, we present the results of a survey of Washington policymakers concerning three foundations that heavily fund health programs: The Robert Wood Johnson Foundation (RWJF), the W.K. Kellogg Foundation, and The Pew Charitable Trusts. The survey, conducted September 1993 through January 1994, concerns the impact of the three foundations’ efforts to inform policymakers on one issue in the 1993-1994 national health care reform debate: health professions education.

Foundations’ Role In Society

Doing good. The modern philanthropic American foundation traces its lineage to the progressive era, a heady time when scientific approaches and expertise were valued and when the professions flourished. While individual acts of charity were promulgated by small foundations in the 1800s, foundations at the turn of the century adopted broad, ambitious goals embodying social betterment. Foundations in the first three decades of this century were active in public health and epidemiological studies, funding governmental research organizations and libraries. With the advent of the New Deal and government-funded social programs in the 1930s, the policy...
role of foundations became more peripheral and often focused on creating pilot programs for government to take over.2

In spite of their good intentions, foundations often have been viewed with suspicion by members of Congress. In 1915 Congress attacked foundations for funding efforts to promote their political views. In 1952 Congress set up two committees to investigate tax-exempt foundations and comparable organizations, which focused on concerns that the foundations were supporting ideas that run “contrary to what the public currently wishes, approves, and likes.”3 In the 1960s the House Ways and Means Committee held hearings on foundations at which prominent members complained about the grantmakers’ political activities and urged the removal of foundations’ tax-exempt status. In 1969 a measure was passed to regulate foundations more closely and to impose an excise tax on their incomes. More recently, in 1994 RWJF was criticized by some Republican members of Congress for funding forums at which First Lady Hillary Rodham Clinton discussed health care issues.

Lack of accountability. There are few external constraints on foundations. Foundations must avoid only four things: partisan politics, making a profit, personal advantage, and lobbying. Foundations may be said to be “inner-directed,” accountable only to a board that is far from being a cross-section of American society. Unlike government, they do not have to raise taxes to obtain resources, and unlike businesses, they are not required to make money. This lack of accountability to stockholders, customers, elected officials, voters, students, or other societal groups frees foundations to take risks and be innovative. For many, it means acting quickly on politically sensitive issues without waiting for the public mandate that elected officials often require. Nor do foundations and other patrons shy away from controversy. A recent study noted that patrons like to support popular or “hot issues,” and in most cases the hot issues are controversial.4

In a sense, foundations serve as a catalyst for future governmental action. They “run interference” for government or “prime the pump” for governmental change.5 A relatively common description of their role is the concept of “venture capital” for social change or public interest.6 Dennis Beatrice calls foundations’ role one of “product development” for government on politically charged issues. Yet, at the same time, he admits, foundations do not want to get too far out in front.7

Some foundations believe that not being directly accountable to a constituency frees them to take a broad look at societywide change rather than dealing with individual problems of groups and constituents. As former RWJF President David Rogers said, it is foundations’ charge “to build our agenda from the concerns of the American public. Thus, we became careful American public pulse takers.”8 If projects flop and ideas fizzle, foundation
leaders are unlikely to lose their jobs (at least not after one failed project), be the target of congressional hearings or scathing newspaper exposes, or be otherwise penalized. Finally, foundations can act quickly. RWJF’s informal motto is to “be bold and courageous and fast.” But they can also “cut their losses” by just as quickly reducing funding for certain areas, although some foundations do this more than others.

Leverage at the margins. On the other hand, it is important to keep in mind that foundation money pales beside government spending on health. According to Linda Gunzburger, spending by U.S. philanthropies was around 90 percent of federal spending on health in the 1920s. By 1973 philanthropic funding in health had fallen to some 16 percent of federal government funding. In 1991 spending for health by foundations was $817 million—some 0.4 percent of federal spending on health.

It is important for foundations to pick areas in which their money can make a difference—often those in which the government role is not strong. But as James Douglas and Aaron Wildavsky point out, this leads to an interesting irony: Foundations are superfluous if they act like government and damned if they do not. The more foundations work in the same area as government, the less influential and more vulnerable they become. What is left on the policy plate to fund may be unfeasible, unpopular, and inconsequential. Further, the more foundations do what government does not want to do or is fearful of doing, the more government wants to control them. According to the Ciba Foundation, the U.S. tax reform act of 1969, which imposed closer regulation of foundations, was passed partly because foundations were at the forefront of voter registration drives for blacks.

There are important differences in the way that government and foundations fund social programs. Most of the federal health dollars go to care for the less fortunate. Much of foundation funding goes to affect public policy, health professions education, health planning, facilities construction, and research. Health professions education has been particularly well funded by foundations, which have led the way in promoting the recruitment of minority physicians, transforming medical education to a university-based professional discipline, establishing schools of public health, and offering fellowships for public policy, education, and international health.

How Foundations Can Affect Policy

Foundations are unusual policy actors in that they have no constituency, are prohibited from advocating or lobbying on specific pieces of legislation, and cannot persuade the public or its elected officials with glitzy advertising campaigns or substantial political contributions. What foundations have is information, gleaned from commissions, research, and demonstrations they
have funded in important policy areas. Foundations influence policy by sharing this knowledge. They can hold conferences; fund reports, white papers, and hearings; and sponsor television specials. By recognizing specific programs and issues of concern, foundations can give them legitimacy that they otherwise might not attain.

Foundations are not likely to participate in every aspect of policy making. They likely will have their information combined with that of others to support positions already held by members of Congress, warn about problems, provide guidance to those drafting legislation, and (less often) help to enlighten or provide a new framework for congressional action. Some argue, however, that foundations should avoid efforts to set broad direction for public policy.

The first step in the policy process, putting items on the public agenda, is one in which John Kingdon and others believe that the role of foundations is limited. Foundations simply do not have the membership or grass-roots support (or advertising budget) of interest groups to enlist strong public support on issues. However, by publicizing reports, holding conferences, educating the news media and interest groups, and funding polls on pertinent health issues, foundations can help to elevate issues to broad public concern. In an analysis of foundation funding in six areas over ten years, we found that in a number of areas, foundations were supporting projects before Congress recognized the problems and held committee hearings.

Once an issue is on the public agenda, foundation-funded expertise is useful in informing members of Congress about the dimensions of the problem and informing debate on solutions. John Boyer and Laura Langbein call this “conceptual” use of information—when information may help change someone’s thinking about issues without leading to a well-documented product. Carol Weiss found that by far the most often cited way that policy analysis was used in Congress was to support members’ existing positions and to inform other members about the subject at hand. Foundation-sponsored commissions and reports can provide nonpartisan detailing of problems and sometimes generate solutions that can be particularly useful to groups seeking to build coalitions.

Foundation efforts also can help in assessing proposed solutions to problems. Demonstrations seem particularly useful in this phase of policy making. For example, acquired immunodeficiency syndrome (AIDS) programs funded by RWJF and Pew in the 1980s provided information on how to deal with the condition. RWJF-funded projects established specialized comprehensive health and supportive services for persons with AIDS and other AIDS-related health and social problems. Long-term care insurance for the elderly and others is a solution advanced by RWJF using information from demonstration projects in several states. Both RWJF and Kellogg have
funded a number of demonstration projects providing community-based (and, for Kellogg, multidisciplinary) primary care that have helped to provide guidance on how such endeavors can be funded and administered. Finally, foundations can play a role in evaluating existing federal policies and recommending improvements. While Congress often ignores the findings of evaluation research, the likelihood of its use is enhanced if credible researchers have performed high-quality research, which foundation funding can help to acquire.21

Perceptions Of Foundations’ Policy Roles And Impact

In the remainder of this essay we analyze foundations’ effectiveness in influencing policy and examine constraints on their influence, looking first at policymakers’ general perceptions and then more specifically at their views of three major health professions education projects. The foundations targeted in this study were The Robert Wood Johnson Foundation, the W.K. Kellogg Foundation, and The Pew Charitable Trusts.

Research design and sample selection. Our research interest was two-fold: to obtain perceptions of a sampling of Washington policymakers about the role of foundations in general in policy making, and to get a sense of how successful the three foundations have been in informing policymakers in one area that has been generously funded by these foundations for decades: health professions education. To be certain that we were interviewing the appropriate people, we selected a purposive sample of 101 Washington policymakers in three subgroups likely to be active in health professions education: congressional health staff, interest groups, and federal agency staff. These groups are often the target of foundations’ health messages and are in positions to influence the policy process.

Congressional staff were chosen in two ways. Staff of Senate and House committees, majority and minority leaders, and other key health members were named in a list of Washington policymakers compiled by the Alliance for Health Care Reform.22 There were thirty-five of these staffers in the targeted sample. Forty-four congressional staff in the sample covered health for members from the seven states in which the Kellogg Community Partnerships with Health Professions Education are located (Georgia, Hawaii, Massachusetts, Michigan, Tennessee, Texas, and West Virginia).23 Respondents included health staff for each of the two senators from these states and the health staffer for the member of Congress from the district in which the project was located (in some states this was more than one). Also included in this grouping were health staff of members from these seven states who served on either the House Ways and Means or Energy and Commerce Committees. The number of respondents ranged from three staff members
The alliance’s list of policymakers served as the basis for the other two groups, but the list of respondents was supplemented with representatives of interest groups and federal agencies particularly interested in health professions education. Representatives of five interest groups active in health professions but not on the alliance’s list were added to the list of respondents. Federal executive branch staff were added from recommendations of an expert who is closely associated with federal efforts in primary care, from attendance at a health professions education conference, or from a listing of health professions experts in an executive branch directory. In some cases, substitutes were interviewed if the original designee was no longer in the job and a replacement had been named. Overall, we attempted to contact 136 persons; 101 responded, for an overall response rate of 74.3 percent. While this sample is not representative of health policymakers in general or of congressional staff interested in health policy, it does provide insight into the views of health policymakers interested in health professions education.

**Doing good, taking risks with little money.** Respondents were asked to compare foundations with think tanks and interest groups regarding their desire to serve the public interest, their nonpartisanship, and their advocacy of unpopular ideas. Contrary to the recent perception among some members of Congress and academics that foundations are partisan, nearly three-fourths (74.3 percent) believed that foundations were nonpartisan compared with the other groups, and 80 percent said that foundations primarily serve the public interest. Some 61 percent agreed that foundations were more likely to spend money on novel ideas. Somewhat unexpected was that slightly fewer than half (48 percent) of respondents thought that foundations were more likely than think tanks, advocacy groups, or special-interest groups to “take on” politically unpopular causes. Apparently, the policymakers questioned in this survey do not share foundation leaders’ self-perception that they are leaders in taking risks, even on politically charged issues.

Analysis of responses by groups of policymakers suggested some interesting variations. Federal executive personnel tended to view foundations as more nonpartisan and as serving the public interest more than the other groups did. However, this group was least likely to see foundations as leading politically unpopular efforts and spending money on novel ideas.

Respondents were asked about the constraints on foundations in their efforts to inform policy making. Interestingly, lack of money was seen as the least problematic constraint (Exhibit 1). Only 21 percent of respondents strongly or somewhat agreed that “foundations don’t have enough money to make a difference” (35 percent strongly disagreed). Federal agency staff were the most likely to discount the importance of this concern: Some 92
### Exhibit 1
Possible Constraints On Foundations’ Effectiveness In Informing Policy Making

<table>
<thead>
<tr>
<th>Percent who agreed strongly or somewhat</th>
<th>All respondents</th>
<th>Congressional staff</th>
<th>Federal agencies</th>
<th>Interest groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>60</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>50</td>
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<td>0</td>
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</tbody>
</table>

**Source:** Telephone survey of Washington policymakers, Institute for Public Policy and Social Research, Michigan State University.

**Notes:** N = 101. Statement A: Foundations don’t have enough money to make a difference. Statement B: Foundations don’t target timely subjects. Statement C: Foundations tend to be too timid; follow rather than lead. Statement D: Foundations don’t know how to communicate effectively with policymakers.

percent disagreed strongly or somewhat.

More than half of congressional staff and interest groups agreed strongly or somewhat with the notion that foundations’ difficulty in communicating effectively constrained their influence on policymakers. Federal agency staff did not see this as much of a constraint (less than one-fourth agreed strongly or somewhat). The second most important constraint was the perception of foundations’ timidity and tendency to follow rather than to lead: More than 35 percent of respondents agreed strongly or somewhat that foundations are too timid. Only a little more than one in four respondents felt that timeliness was a problem.

**Participating in the policy process.** While some political scientists say that foundations’ role in setting the policy agenda is limited, more than half (51.5 percent) of survey respondents felt that raising concerns onto the national agenda was an extremely important or very important role for foundations to play. Interest-group respondents valued the foundations’ role in raising concerns to the national agenda much more highly than congressional staffers or federal agency staff did. Some 73 percent of interest-group respondents said that raising concerns was an extremely or very important role for foundations, compared with only 44 percent for the two other groups. Respondents also viewed development of innovative policy solutions as an important policy role for foundations. Again, more than half (51.5 percent) of respondents said that this was an extremely or
very important role for foundations to play. However, only 36 percent of federal agency staff valued this function as extremely or very important, perhaps because they see this role as potentially competing with their own responsibility of sponsoring and evaluating demonstration projects.

Slightly fewer than half of respondents (48.5 percent) said that providing policymakers with information about concerns already on the national agenda was an extremely or a very important role for foundations to play. Even fewer respondents (37 percent) said that evaluating existing programs and policies was an extremely or very important role for foundations.

**Approaches to influencing policy.** Respondents were asked to evaluate the funding approaches of RWJF, Kellogg, and Pew. Some 78 percent of respondents found demonstration funding extremely or very useful. Fifty-eight percent found development of informative reports or commissions extremely or very useful. Sixty-four percent said that foundations’ focus on a few specific policy issues was extremely or very useful. When asked to compare the approaches and pick the most useful, 39 percent picked demonstration projects; 26 percent picked reports or commissions; and 24 percent liked the ability of foundations to focus on a few specific policy issues. Demonstration projects were the top choice of congressional staffers, interest groups, and government bureaucrats. Bureaucrats (32 percent) and interest groups (35 percent) tended to value foundations’ funding of informative reports and commissions more than congressional staff did (18 percent).

**Usefulness of the three foundations’ information.** For policymakers to find the foundations’ work to be useful, they must be aware of the foundations’ projects. We found that the three foundations’ health professions education projects were highly visible among policymakers in our sample. For example, nearly 56 percent of respondents had heard of the RWJF Generalist Physician initiative; about 48 percent had heard of the Pew Health Professions Commission; and almost 47 percent, of the Kellogg Community Partnerships with Health Professions Education (Exhibit 2).

One of the key ways in which foundations’ information may be used is to change thinking about an issue without advocating a specific position. A high percentage of respondents familiar with the foundation initiatives found the information helpful in understanding health professions education issues: 83 percent for the Kellogg initiative, almost 78 percent for the RWJF initiative, and about 73 percent for the Pew commission. Respondents reported that the foundation materials also had provoked some discussion in recent health care reform meetings.

Perhaps most interesting (and heartening to foundations) was the usefulness of the material on the projects from all three foundations (Exhibit 2). Some 59 percent of respondents said that the information from RWJF and
### Exhibit 2
Familiarity With And Views On The Contributions Of Three Major Foundation Projects In Health Professions Education

<table>
<thead>
<tr>
<th>Conceptual contributions</th>
<th>Kellogg Community Partnerships</th>
<th>Pew Health Professions Commission</th>
<th>RWJF Generalist Physician initiative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have heard of this project</td>
<td>46.5%</td>
<td>48.4%</td>
<td>55.9%</td>
</tr>
<tr>
<td>Familiarity with project and its goals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extremely</td>
<td>14.9</td>
<td>16.7</td>
<td></td>
</tr>
<tr>
<td>Very</td>
<td>21.3</td>
<td>13.3</td>
<td>15.8</td>
</tr>
<tr>
<td>Mentioned in health reform discussions</td>
<td>67.4</td>
<td>70.0</td>
<td>50.0</td>
</tr>
<tr>
<td>Information from project was helpful in understanding issues</td>
<td>82.6</td>
<td>73.3</td>
<td>77.8</td>
</tr>
<tr>
<td>How helpful?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extremely</td>
<td>15.8</td>
<td>13.6</td>
<td>21.4</td>
</tr>
<tr>
<td>Very</td>
<td>18.4</td>
<td>18.2</td>
<td>14.3</td>
</tr>
</tbody>
</table>

### Instrumental contributions

| Information from projects was used to inform legislators, policymakers, and staff | 47.8% | 59.3% | 58.8% |
| Ideas were incorporated into health reform proposals | | | |
| Definitely | 27.7 | 30.8 | 13.3 |
| Probably | 55.3 | 53.8 | 80.0 |

| Which legislative proposals included ideas from foundation projects? | | |
| Percent of those who said “definitely” or “probably” who named specific legislation | 67.0 | 63.6 | 78.6 |

**Source:** Telephone survey of Washington policymakers, Institute for Public Policy and Social Research, Michigan State University.

**Notes:** Some 101 respondents were asked about the Kellogg Community Partnerships, 67 about the Pew Health Professions Commission, and 34 about the Robert Wood Johnson Foundation (RWJF) Generalist Physician initiative in the first question. Every respondent was asked about the Community Partnerships and either the Pew or the RWJF project. Only those who had heard of the projects were asked the follow-up questions (47 for Kellogg, 30 for Pew, and 19 for RWJF).

*Answered by those who had found the information helpful (38 for Kellogg, 22 for Pew, and 14 for RWJF).*

Pew was used to inform legislators, policymakers, and staff; nearly 48 percent of respondents said that Kellogg information was used to inform these persons. Further, the use was what Boyer and Langbein call “instrumental” change—where information can result in direct changes in policy. More than 80 percent of respondents who were familiar with the projects said that ideas from Kellogg’s Community Partnerships and Pew’s Health Professions Commission definitely or probably had been incorporated into health care reform proposals. More than 90 percent of respondents familiar with RWJF’s Generalist Physician initiative said that ideas...
from this project definitely or probably had been included in some proposed legislative language on health reform. Two-thirds to three-quarters of respondents who said that information from one of the foundations definitely or probably had been incorporated in legislative proposals cited specific legislation that included ideas from the foundations.

Conclusion

Foundations have a highly unusual, if not unique, place in the policy world. With their desire to affect public policy and “do good” and their freedom from constraints to raise taxes and make profits, they should be a source of innovative proposals and risky ventures. If not they, then who? Yet in spite of their claims to be providing “social venture capital” and new ideas the government can put forward, foundations are perceived by many of the Washington policymakers in our survey as “sleeping giants.” Their relative lack of money is not viewed as a major constraint, but rather, timidity and difficulty in communicating are perceived as problematic.

With governmental reductions in many programmatic areas, including health, the need for foundation guidance may be more critical than in the years at the turn of the century when foundations were widely recognized as important policy actors. Few can expect innovation and new policy development from a government that is viewed as more of the problem than the solution. It may be that foundations can step in, or can they?

The analysis here provides some praise for foundations and some guidance as well. Foundations are viewed as nonpartisan and primarily serving the public interest, according to our survey. They are perceived to play an important role in raising concerns onto the national agenda and developing innovative solutions. In the 1993-1994 national health care reform debate, information from three major health professions education projects funded by the W.K. Kellogg Foundation, The Robert Wood Johnson Foundation, and The Pew Charitable Trusts was well disseminated and served to inform decision making. The information even found its way into specific legislation, according to a majority of our survey respondents who were familiar with the foundation projects.

We do not wish to overstate the generalizability of these findings. The sample was not designed to represent all policymakers but was selected to represent those likely to be active in health professions education policy—the focus of the three projects examined. While many survey respondents would have been included in a survey asking about another health policy issue, others would not have been. In this area, foundations are viewed favorably as policy players and appear to be reaching their target audiences. We cannot generalize the results to other issues and target audiences, but
we believe nonetheless that our effort is an important first step in recognizing the role of foundations in policy making. We hope that our survey will spawn more empirical work to substantiate their role in other policy areas.

The authors acknowledge the contributions of Larry Hembroff for heading the survey research effort and Rebecca Henry for providing support and encouragement for the project. The survey of Washington policymakers was funded by the W.K. Kellogg Foundation as part of the evaluation of its Community Partnerships with Health Professions Education initiative. This essay is a revised version of a paper presented 3 September 1995 in Chicago at the annual meeting of the American Political Science Association.

NOTES


4. Cigler and Nownes, “Patrons and Influence.”


9. Iglehart, “Charting a New Course.”


23. The survey was funded by the cluster evaluation of the W.K. Kellogg Foundation Community Partnerships with Health Professions Education; therefore, respondents from these states were an important target audience. We also plan to conduct a related policymakers’ survey on the initiative’s influence at the state level and will compare the congressional staff findings with those of their state-level counterparts.
24. The October 1993 conference was sponsored by the National Governors’ Association and was on health professions education linkages; the directory was who Knows What? A Guide to Washington Experts, 7th ed. (Washington: Washington Researchers Publishing, 1992).
25. The number of calls placed to each respondent ranged from one to forty-five; of those successful calls, the mean number of attempts was 6.7.
26. While foundations are legally different from think tanks and special interests, there are many similarities. A number of think tanks call themselves foundations, and the funding and ideological linkages between foundations and both think tanks and interest groups are well known (see, for example, Cigler and Nownes, “Patrons and Influence”). Also, conceptually, foundations, think tanks, and interest groups all serve as important intermediary groups between government and the people, and thus a comparison of foundations to these entities seems quite appropriate.
27. See, for example, Beatrice, “The Role of Philanthropy in Health Care Reform.”
28. The nonprobability sample (and the small subsample size) prohibit meaningful statistical testing; therefore, the differences are only suggestive.
29. Respondents were asked specifically about foundations as policy participants. Thus, we do not have a measure of how important foundations are viewed as compared with other players. Also, by forcing respondents to think about foundations in terms of policy making, we may have biased the results toward more positive assessments of foundations. Nevertheless, as a first look at the foundations as policy actors and as an assessment of the different strengths, constraints, and roles they play, the approach seems appropriate.
30. The Community Partnerships with Health Professions Education initiative funds seven consortia of health professional schools and communities to provide multidisciplinary education in community settings. The Generalist Physician Initiative provides money for selected medical schools to pursue innovative practices to increase the supply of generalist physicians. Pew’s Health Professions Commission is a multiyear effort that funded research and activities to reform health care and health professions education including making specific federal policy recommendations concerning primary care.